

FINANCIAL INFORMATION FORUM

July 15, 2022

By electronic mail

CAT NMS Plan Operating Committee
Attn: Michael Simon, CAT NMS Plan Operating Committee Chair

Dear Mr. Simon,

FIF members would like to thank the Participants (the national securities exchanges and FINRA) for providing additional transparency to industry members relating to the planned Full CAIS implementation. Most recently, on July 12, 2022, FINRA CAT published CAT Alert 2022-01, "Full CAIS Reporting Timeline and Interim Reporting Obligations", which communicates to industry members the current timeline for Full CAIS implementation. This letter requests guidance on certain CAIS compliance issues and provides additional detail to the CAT Operating Committee on different approaches that firms are planning to take to comply with the new timeline for Full CAIS implementation.

Partial submissions at the CAT reporter level are not a realistic option for most firms

The Full CAIS implementation schedule requires CAT submitters to complete partial submission of Full CAIS records during the period between August 15 and September 15. FINRA CAT will assign a date within this period to each CAT submitter, and each CAT submitter will need to achieve, by the date assigned by FINRA CAT, the partial Full CAIS submission milestones established by FINRA CAT for that submitter. The vast majority of FIF members have advised that at the CAT reporter level, they are not able to transition some FDIDs to Full CAIS without transitioning all FDIDs. This means that almost all CAT reporters that submit to CAT on their own behalf will need to transition all FDIDs to Full CAIS by the date between August 15 and September 15 that is designated by FINRA CAT. Some CAT submitters that report on behalf of multiple reporters will be able to transition all FDIDs to Full CAIS for some of their CAT reporters without transitioning all FDIDs for all of their CAT reporters. Other CAT submitters that report on behalf of multiple reporters will need to transition all FDIDs for all of their CAT reporters on a single date.

LTID Phase reporting compliance

CAT Alert 2022-01 provides that "[t]he Plan Participants are currently assessing how to appropriately address the compliance requirement differences for FDIDs with LTIDs between the current LTID Account format and the Full CAIS format during the phased implementation set forth in this CAT Alert." FIF members request written guidance that if a firm transitions an FDID with an LTID to Full CAIS the firm would no longer be obligated to submit required daily updates for the FDID in LTID Phase format. For

this purpose, transitioning of an FDID should include the good faith submission of an FDID in Full CAIS format that is rejected since as of the transition date most firms no longer will be able to submit records in the LTID Phase format.

Exemptive request

FIF members appreciate that the Participants have submitted to the Commission a request for exemptive relief to extend the Full CAIS compliance date. FIF members request that the Participants provide ongoing updates to industry members on the status of this exemptive request.

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The Commission, the Participants, FINRA CAT and industry members continue to make significant advances towards implementation of Full CAIS. FIF members look forward to continuing to work with all parties to achieve Full CAIS implementation.

Very truly yours,

/s/ Howard Meyerson

Howard Meyerson
Managing Director, Financial Information Forum